980 - PERFORMANCE IMPROVEMENT PROJECTS

I. PURPOSE

This Policy applies to ACC, ALTCS E/PD, DCS/CMDP (CMDP), DES/DDD (DDD), and RBHA Contractors. This Policy delineates the purpose, design, implementation, and reporting of AHCCCS-mandated and Contractor self-selected Performance Improvement Projects (PIPs).

II. DEFINITIONS

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
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<tr>
<td>AHCCCS DIVISION OF HEALTH CARE MANAGEMENT (DHCM), QUALITY IMPROVEMENT (QI) TEAM</td>
<td>AHCCCS staff who evaluates Contractor Quality Management/Performance Improvement (QM/PI) programs; monitors compliance with required quality/performance improvement standards, Contractor Corrective Action Plans (CAPs) and Performance Improvement Projects (PIPs); and provides technical assistance for QM/PI related matters.</td>
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<tr>
<td>BASELINE DATA</td>
<td>Data collected at the beginning of a Performance Improvement Project that is used as a starting point for measurement and the basis for comparison with subsequent remeasurement(s) in demonstrating significant and sustained improvement.</td>
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<td>BENCHMARK</td>
<td>The process of comparing a practice’s performance with an external standard to motivate engagement in quality improvement efforts and understand where performance falls in comparison to others. Benchmarks may be generated from similar organizations, quality collaboratives, and authoritative bodies.</td>
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<td>GRIEVANCE</td>
<td>A member’s expression of dissatisfaction with any matter, other than an adverse benefit determination.</td>
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<td>MEASURABLE</td>
<td>The ability to determine definitively whether or not a quantifiable objective has been met, or whether progress has been made toward a positive outcome.</td>
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<td>METHODOLOGY</td>
<td>The planned documented process, steps, activities, or actions taken by a Contractor to achieve a goal or objective, or to progress towards a positive outcome.</td>
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<td><strong>MONITORING</strong></td>
<td>The process of auditing, observing, evaluating, analyzing and conducting follow-up activities, and documenting results via desktop or on-site review.</td>
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<td><strong>OBJECTIVE</strong></td>
<td>A measurable step, generally one of a series of progressive steps, to achieve a goal.</td>
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<td><strong>OUTCOMES</strong></td>
<td>Changes in patient health, functional status, satisfaction, or goal achievement that result from health care or supportive services [42 CFR 438.320].</td>
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<td><strong>PERFORMANCE IMPROVEMENT/QUALITY IMPROVEMENT</strong></td>
<td>The continuous study and improvement of processes with the intent to better services or outcomes, and prevent or decrease the likelihood of problems, by identifying areas of opportunity and testing new approaches to fix underlying causes of persistent/systemic problems or barriers to improvement.</td>
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<tr>
<td><strong>PERFORMANCE IMPROVEMENT PROJECT (PIP)</strong></td>
<td>A planned process of data gathering, evaluation, and analysis to determine interventions or activities that are projected to have a positive outcome. A PIP includes measuring the impact of the interventions or activities toward improving the quality of care and service delivery. Formerly referred to as Quality Improvement Projects (QIP).</td>
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<td><strong>PLAN-DO-STUDY-ACT (PDSA) CYCLE</strong></td>
<td>A scientific method for testing a change or intervention, designed to result in improvement in a specific area. The cycle is completed by planning the change/intervention, trying it, observing the results, and acting on what is learned. When these steps are conducted over a relatively short time period; i.e. over days, weeks or months, the approach is known as Rapid Cycle Improvement.</td>
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<tr>
<td><strong>PLAN-DO-STUDY-ACT (PDSA) METHOD</strong></td>
<td>A four step model to test a change that is implemented. Going through the prescribed four steps utilizing one or more PDSA Cycles guides the thinking process into breaking down the task into steps and then evaluating the outcome, improving on it, and testing again.</td>
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<td><strong>QUALITY</strong></td>
<td>As specified in 42 CFR 438.320, it pertains to external quality review, means the degree to which an MCO increases the likelihood of desired outcomes of its members through: 1. Its structural and operational characteristics, 2. The provision of services that are consistent with current professional, evidenced-based-knowledge, and 3. Interventions for performance.</td>
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### STATISTICALLY SIGNIFICANT

A judgment of whether a result occurs because of chance. When a result is statistically significant, it means that it is unlikely that the result occurs because of chance or random fluctuation.

There is a cutoff for determining statistical significance. This cutoff is the significance level. If the probability of a result (the significance value) is less than the cutoff (the significance level), the result is judged to be statistically significant.

### VALIDATION

The review of information, data, and procedures to determine the extent to which they are accurate, reliable, free from bias and in accord with standards for data collection and analysis.

## III. POLICY

AHCCCS mandates that Contractors participate in selected PIPs. Contractors shall also identify and implement additional PIPs based on self-identified opportunities for improvement, as supported by root cause analysis, external and internal data, surveillance of trends, or other information available to Contractor. AHCCCS-mandated PIP topics are selected through analysis of internal and external data/trends and may include Contractor input. Topics take into account comprehensive aspects of member needs, care, and services for a broad spectrum of members or a focused subset of the population, including those members with special health care needs such as members receiving Long Term Care Services and Supports (LTSS) [42 CFR 438.330]. AHCCCS may also mandate that a PIP be conducted by a Contractor or group of Contractors, according to standardized methodology developed by AHCCCS.

The Centers for Medicare and Medicaid Services (CMS) may, in consultation with States and other stakeholders, specify standardized performance measures and topics for PIPs for inclusion alongside of State-specified PMs and PIP topics in State Contracts [42 CFR 438.330(a)(2)]. Contractors are required to participate in performance measures and PIPs mandated by CMS.

### A. PERFORMANCE IMPROVEMENT PROJECT DESIGN

Contractors are required to conduct PIPs, including any PIP(s) required by CMS, that focus on both clinical and non-clinical areas. PIPs are developed according to 42 CFR 438.330.

1. The protocol for developing and conducting AHCCCS-mandated PIPs is found in Attachment A.

2. Contractors shall also adhere to (align with) the protocol outlined in Attachment A when selecting, designing, developing, and implementing additional PIPs.
3. PIPs are designed to correct significant system problems and/or achieve significant improvement in health outcomes and member satisfaction, that is sustained over time, through the:
   a. Measurement of performance using objective quality indicators,
   b. Implementation of interventions to achieve improvement in access to, and quality of care,
   c. Evaluation of the effectiveness of the interventions based on indicators collected as part of the PIP, and
   d. Planning and initiation of activities for increasing or sustaining improvement [42 CFR 438.330(d)(2)].

4. Clinical focus topics may include:
   a. Primary, secondary, and/or tertiary prevention of acute conditions,
   b. Primary, secondary, and/or tertiary prevention of chronic conditions,
   c. Primary, secondary, and/or tertiary prevention of behavioral health conditions,
   d. Care of acute conditions,
   e. Care of chronic conditions,
   f. Care of behavioral health conditions, and
   g. Continuity and coordination of care.

5. Non-clinical focus topics may include:
   a. Availability, accessibility, and adequacy of Contractor’s service delivery system,
   b. Cultural competency of services,
   c. Interpersonal aspects of care (e.g. quality of provider/member encounters), and
   d. Appeals, grievances, and other complaints.

6. Contractors shall utilize the PDSA Method to test changes (interventions) quickly and refine them, as necessary. It is expected that this process will be implemented in as short a time frame as practical, based on the PIP topic.
   a. It is expected that Contractors shall utilize several PDSA Cycles within the PIP lifespan, and
   b. Each PDSA Cycle is to be included within Contractors Annual and Final PIP Report submissions.
      i. The PDSA Cycle consists of the following steps:
         a) Plan: Plan the change(s) or intervention(s), including a plan for collecting data. State the objective(s) of the intervention(s),
         b) Do: Try out the intervention(s) and document any problems or unexpected results,
         c) Study: Analyze the data and study the results. Compare the data to predictions and summarize what was learned,
         d) Act: Refine the change(s) or intervention(s), based on what was learned, and prepare a plan for retesting the intervention(s), and
         e) Repeat: Continue the cycle as new data becomes available until improvement is achieved.
      ii. For more information, refer to the Agency for Healthcare Research and Quality website at www.ahrq.gov.
B. PERFORMANCE IMPROVEMENT PROJECT TIMEFRAMES

1. AHCCCS-mandated PIPs begin on a date that corresponds with the Contract year. Baseline data is collected and analyzed at the beginning of the PIP. AHCCCS may provide baseline data by Contractor and include additional data by age, race, sex, ethnicity, and/or geographic area, which may assist Contractors in refining interventions.

2. During the first year of the PIP, Contractors shall implement interventions to improve performance based on an evaluation of barriers to care/use of services and evidence-based approaches to improving performance. Interventions may consider any unique factors such as its membership, provider network, or geographic area(s) served.

3. AHCCCS will conduct annual measurements to evaluate Contractor performance, and may conduct interim measurements, depending on the resources required to collect and analyze data.

4. A Contractor’s participation in the PIP shall continue until demonstration of significant and sustained improvement is shown as outlined above.

C. DATA COLLECTION METHODOLOGY

Evaluation of Contractor’s performance on the selected measures will be based on systematic, ongoing collection and analysis of accurate, valid and reliable data, as collected and analyzed by AHCCCS.

Contractor’s methodology (including project indicators, procedures, and timelines) shall align with the guidance and direction provided for all AHCCCS-mandated PIPs. In addition, Contractors shall include internal rates and results, used as the basis for analysis (both quantitative and qualitative) and selection/modification of interventions, within Contractor’s annual PIP Report submissions.

D. INTER-RATER RELIABILITY

Contractors may be directed to collect all or some of the data used to measure performance. In such cases, Contractors shall:

1. Submit specific documentation to verify that indicator criteria were met in accordance with AHCCCS instruction,

2. Have qualified personnel collect data, and

3. Ensure inter-rater reliability if more than one person is collecting and entering data.
   a. Contractors shall ensure that data collected from multiple parties/individuals for performance measures is consistent and comparable through an implemented inter-rater reliability process. Contractor’s documented inter-rater reliability process shall include:
i. A detailed description of Contractor’s methodology for conducting inter-rater reliability including initial training (and retraining, if applicable), oversight and validation of data collection, as well as other activities deemed applicable Contractors,

ii. The required minimum score that each individual must obtain in order to continue participation in the data collection and reporting process,

iii. A mechanism for evaluating individual accuracy scores (and any subsequent accuracy scores, if applicable), and

iv. Actions taken should an individual not meet the established accuracy score.

b. In addition, Contractors shall monitor and track the inter-rater reliability accuracy scores and associated follow up activities. Contractors shall provide evidence of implementation of the inter-rater reliability process as well as the associated monitoring upon AHCCCS request.

E. MEASUREMENT OF SIGNIFICANT IMPROVEMENT

1. Contractors are expected to implement interventions to meet a benchmark level of performance for any PIP. This benchmark level is defined in advance by AHCCCS for all AHCCCS-mandated PIPs. For more information, refer to the Agency for Healthcare Research and Quality website at www.ahrq.gov.

2. Contractors shall initiate interventions that result in significant improvement, sustained over time, in its performance for the quality indicators being measured. Improvement shall be evidenced in repeated measurements of the quality indicators specified for each PIP undertaken by Contractors.

3. A Contractor will have demonstrated significant improvement when:
   a. It meets or exceeds the AHCCCS overall average for the baseline measurement, if its baseline rate was below the average and the increase is statistically significant. For more information on statistical significance, see the Watson Analytics guide at www.ibm.com,
   b. It shows a statistically significant increase, if its baseline rate was at or above the AHCCCS overall average for the baseline measurement, or
   c. It is the highest performing (benchmark) plan in any remeasurement and maintains or improves its rate in a successive measurement.

4. Contractors will have demonstrated sustained improvement when it:
   a. Establishes how the significant improvement can be reasonably attributable to interventions undertaken by Contractors (i.e. improvement occurred due to the project and its interventions, not another unrelated reason), and
   b. Maintains, or increases, the improvements in performance for at least one year after the improvement in performance is first achieved.
F. PERFORMANCE IMPROVEMENT PROJECTS REPORTING REQUIREMENTS

Contractors shall submit an annual PIP Report for baseline, intervention, and each subsequent remeasurement year. Contractors shall utilize Attachment B, C, and/or D, as specified in contract.

1. Contractors shall include internal annual measurements/rates and results, used as the basis for analysis (both quantitative and qualitative) and selection/modification of interventions, within Contractor’s annual PIP Report submissions.

2. Submitted reports shall contain internal data reflective of Contractor’s performance during the current reporting period, as well as any AHCCCS provided rates reflective of previous reporting periods.

3. Contractors shall submit a final PIP Report, as specified in Contract, following the year in which significant and sustained improvement is demonstrated; the final report shall include AHCCCS official data, as outlined in Contract.